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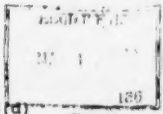
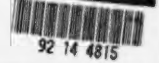
FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934





Quarter Ended March 31, 1992

Commission File Number 0-10232 E92-2228

FIRST REGIONAL BANCORP
(Exact name of registrant as specified in its charter)

California	95-3582843
State or other jurisdiction of incorporation or organization	IRS Employer Identification Number

1801 Century Park East, Los Angeles, California	90067
Address of principal executive offices	Zip Code

(310) 552-1776
Registrant's telephone number, including area code

Not applicable
Former name, former address, and former fiscal year, if changed since last report

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ____

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding in each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, No Par Value	2,157,800
Class	Outstanding on May 14, 1992

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FIRST REGIONAL BANCORP
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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The financial statements called for under this item appear on the pages which immediately follow.

FIRST REGIONAL BANCORP AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(In Thousands)

	March 31 1992	December 31, 1991
	(unaudited)	
ASSETS		
Cash and due from banks	$ 12,543	$ 7,267
Time deposits with other financial institutions	200	200
Investment securities	12,690	9,994
Funds sold	9,500	6,100
Loans, net of allowance for loan losses of $2,805,000 in 1992 and $2,400,000 in 1991	106,919	107,757
Premises and equipment, net of accumulated depreciation	321	342
Investment in real estate	2,613	2,604
Accrued interest receivable and other assets	2,290	2,594
Total Assets	$147,076	$136,858
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Demand deposits	$ 18,088	$ 16,124
Savings deposits	4,767	4,714
Money market deposits	73,661	74,211
Time deposits	36,290	27,381
Total deposits	132,806	122,430
Securities sold under agreement to repurchase	1,575	1,516
Accrued interest payable and other liabilities	485	879
Total Liabilities	134,866	124,825
Shareholders' Equity:		
Common Stock, no par value, 50,000,000 shares authorized; 2,157,800 and 2,154,800 shares outstanding in 1992 and 1991, respectively	10,790	10,790
Retained Earnings	1,420	1,243
Total Shareholders' Equity	12,210	12,033
Total Liabilities and Shareholders' Equity	$147,076	$136,858

The accompanying notes are an integral part of these statements.

FIRST REGIONAL BANCORP AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME
(In Thousands Except Per Share Amounts)
(Unaudited)

	Three Months Ended March 31,	
	1992	1991
REVENUE FROM EARNING ASSETS:		
Interest and fees on loans	$2,877	$2,432
Interest on time deposits with other financial institutions	2	2
Interest on investment securities	135	261
Interest on funds sold	112	278
Total revenue from earning assets	3,126	2,973
COST OF FUNDS:		
Interest on deposits	1,132	1,438
Interest on securities sold under agreements to repurchase	18	29
Total cost of funds	1,150	1,467
Net revenue from earning assets before provision for loan losses	1,976	1,506
PROVISION FOR LOAN LOSSES	400	160
Net revenue from earning assets	1,576	1,346
OPERATING INCOME		
Net gains (losses) on sales of investment securities	6	(32)
Other revenue	94	91
Total operating income	100	59
OPERATING EXPENSES:		
Salaries and related benefits	559	566
Occupancy expense	165	154
Other expenses	683	566
Total operating expenses	1,407	1,286
Income (loss) before provision (benefit) for income taxes	269	119
PROVISION FOR INCOME TAXES	92	18
NET INCOME	$ 177	$ 101

NET INCOME PER SHARE (Note 2)	$ 0.08	$ 0.05

The accompanying notes are an integral part of these statements.

FIRST REGIONAL BANCORP AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)
(Unaudited)

	Three Months Ended March 31, 1992	1991
OPERATING ACTIVITIES		
Net Income	$ 177	$ 101
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	405	160
Provision for depreciation and amortization	28	28
Amortization of investment security premiums	19	1
Accretion of investment security discounts	(20)	0
Decrease (increase) in interest receivable	47	(128)
Increase (decrease) in interest payable	47	(52)
Increase (decrease) in taxes payable	(129)	(161)
Net increase (decrease) in other liabilities	(26)	(64)
Net cash provided by operating activities	$ 548	$ (115)
INVESTING ACTIVITIES		
Increase in investments in time deposits with other financial institutions	$ 0	$ (2)
Increase in investment securities	(2,895)	(5,523)
Net decrease (increase) in loans	(1,098)	(7,741)
Decrease in premises and equipment	(6)	9
Net decrease (increase) in other assets	1,492	(426)
Net cash provided by investing activities	$ (2,507)	$(13,683)
FINANCING ACTIVITIES		
Net increase (decrease) in demand deposits, savings accounts, and money market accounts	$ 1,467	$ 15,105
Net increase (decrease) in time deposits	8,909	(5,828)

	Three Months Ended March 31, 1992	1991
Increase (decrease) in securities sold under agreement to repurchase	59	235
Net cash provided by financing activities	$ 10,435	$ 9,512
Increase (decrease) in cash and cash equivalents	$ 8,476	$ (4,286)
Cash and cash equivalents, beginning of period	13,567	28,154
Cash and cash equivalents, end of period	$ 22,043	$ 23,868

The accompanying notes are an integral part of these statements.

FIRST REGIONAL BANCORP AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 1992
(Unaudited)

NOTE 1 - The consolidated financial statements include the accounts of First Regional Bancorp (the Company), a bank holding company, and its wholly-owned subsidiary, First Regional Bank (the Bank). Certain amounts in the 1991 financial statements have been reclassified to be comparable with the classification used in the 1992 financial statements.

In the opinion of the Company, the accompanying consolidated financial statements contain all adjustments necessary to present fairly the financial position as of March 31, 1992 and December 31, 1991 and the results of operations for the three month periods ended March 31, 1992 and 1991.

While the Company believes that the disclosures presented are adequate to make the information not misleading, it is suggested that these financial statements be read in conjunction with the financial statements and the notes included in the Company's 1991 annual report.

NOTE 2 - Per share information is based on the number of common shares outstanding, which was 2,157,800 for 1992 and 2,154,800 for 1991. No adjustment has been made for outstanding stock options. If all outstanding stock options had been exercised, they would have had a material dilutive effect, but no options were exercised during the first quarter of 1992.

NOTE 3 - As of March 31, 1992 the Bank had a total of $391,000 in standby letters of credit outstanding. No losses are anticipated as a result of these transactions.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SUMMARY

First Regional Bancorp did not conduct any significant business activities independent of First Regional Bank. The following discussion and analysis relates primarily to the Bank.

At March 31, 1992 total assets were $147,076,000 compared to $136,858,000 at December 31, 1991, an increase of $10,218,000 or 8%. For the most part, this growth was the result of a increase in deposits of $10,376,000, or 8%, to $132,806,000 on March 31, 1992 from $122,430,000 at December 31, 1991; much of this growth took place in time deposits, with growth in that sector being supplemented by a modest increase in the area of demand deposits. The deposit growth led to higher levels of liquid assets, with Net loans actually declining slightly, to $106,919,000 at March 31 compared to a level of $107,757,000 at December 31, 1991.

The Company earned a profit of $177,000 in the three months ended March 31, 1992, compared with the prior year's first quarter when a profit of $101,000 was recorded. The increase in earnings primarily reflected the growth in earning assets, which combined with stability in interest rates in the first quarter, resulted in higher levels of net revenue.

NET INTEREST INCOME

Total revenue from earning assets rose by $153,000 (5%) for the three months ended March 31, 1992 compared to the same period in 1991. This increase in revenue was due to the continued growth in the Bank's loan portfolio throughout 1991, which resulted in a significantly higher average level of loans outstanding in the first quarter of 1992 than for the same period in 1991. This growth was more than sufficient to offset the effects of the lower level of interest rates which prevailed in 1992 compared to 1991. The flow of funds into the loan portfolio, however, resulted in a decline in investment securities and funds sold, which in combination with the lower 1992 interest rates gave rise to lower levels of income on these categories of assets. Despite the large increase in deposits, particularly time deposits, interest on deposits fell by $317,000 (21%) to $1,150,000 for the first three months of 1992 compared to $1,467,000 in the first quarter of 1991, because in this area the decline in interest rates more than outweighed the effects of higher deposit levels. Thus, the first quarter of 1992 saw an increase in revenue from earning assets at the same time that interest expense was declining, and the combined effect of these changes was net revenue from earning assets of $1,976,000 for the first three months of 1992 compared to $1,506,000 for the same period in 1991.

OPERATING INCOME

During the first three months of 1992 net gains on sales of investment securities of $6,000 were realized; by comparison, in the same period of 1991 net losses of $32,000 were realized on sales of investment securities. Other revenue declined slightly in 1992, from $99,000 for the three months

ended March 31, 1991 to $94,000 in the corresponding period of 1992. The decrease in this category of income was due to lower levels of income from service charges on deposit accounts, as well as reduced fees on letter of credit transactions. The net effect of the above changes was that operating income increased by $41,000 (69%) to $100,000 in the first quarter of 1992 from a total of $59,000 for the same period of 1991.

PROVISION FOR POSSIBLE LOAN LOSSES

The allowance for possible loan losses in intended to reflect known and inherent risks in the loan portfolio. The allowance for possible loan losses is increased by provisions for possible loan losses, and is decreased by net loan chargeoffs. Management continues to evaluate the loan portfolio in light of many factors, including loan loss experience and current economic conditions. Management believes the allowance for possible loan losses is adequate to provide for losses that might be reasonably anticipated.

The allowance for possible loan losses was $2,805,000 and $2,400,000 (or 2.56% and 2.18% of gross outstanding loans) at March 31, 1992 and December 31, 1991 respectively. Reflecting a continuing conservative posture in the face of a recessionary economic climate as well as anticipated future loan growth, provisions for possible loan losses were $400,000 for the first quarter of 1992 as opposed to $160,000 for the three month period ended March 31, 1991. In the first quarter of 1992 the Company experienced net recoveries of previously charged off loans of $5,000; for the same period in 1991 the Company experienced net recoveries of $69,000.

OPERATING EXPENSES

Operating expenses continued their year-to-year increases in the first quarter of 1992 compared to the same period of 1991. Operating expenses rose from a total of $1,346,000 for the three months ended March 31, 1991 to $1,407,000 for the same period in 1992.

Salary and related benefits decreased from $566,000 for the three month period ended March 31, 1991 to a total of $559,000 for the same period in 1992, primarily due to restraint in the hiring and compensation of personnel in the various departments. Reflecting cost of living clauses in premises leases, occupancy expense rose slightly, to $165,000 in the first quarter of 1992 from $154,000 for the same period in 1991. Other operating expenses were also somewhat higher in 1992 versus the prior year, rising from $566,000 for the first three months of 1991 to a corresponding figure of $683,000 in 1992 largely due to increases in the costs of services provided to large deposit relationships which in turn reflect higher deposit levels from these depositors in 1992 compared to the prior year.

The combined effects of the above-described factors resulted in income before taxes of $269,000 in the first quarter of 1992 as compared with $119,000 for the same period in 1991. Reflecting the higher level of income experienced thus far in 1992 compared to the prior year, the provision for taxes for the first quarter of 1992 was $92,000, versus a total of $18,000 recorded for the three months ended March 31, 1991. As a result, the Company achieved net income of $177,000 for the three months

ended March 31, 1992, an increase from the $101,000 net income figure for the same period in 1991.

LIQUIDITY, SOURCES OF FUNDS, AND CAPITAL RESOURCES

The Company's financial position remains highly liquid. Total liquid assets (cash and due from banks, time deposits with other financial institutions, investment securities, and funds sold) stood at 26.3% of total deposits at March 31, 1992. This level represents an increase from the 19.2% liquidity level which existed on December 31, 1991. In addition, at March 31, 1992 over $22 million of the Bank's total loans consisted of government guaranteed loans, which represent a significant source of liquidity due to the active secondary market which exists for these assets. The ratio of net loans to deposits was 80.5% and 88.0% as of March 31, 1992 and December 31, 1991, respectively.

Because customer deposits are the Company's principal funding source outside of its capital, management has attempted to match rates and maturities of its deposits with its investment and loan portfolios as part of its liquidity and asset and liability management policies. The objective of these policies is to limit the fluctuations of net interest income resulting from interest rate changes. The table which follows indicates the repricing or maturity characteristics of the major categories of the Bank's assets and liabilities, and thus the relative sensitivity of the Bank's net interest income to changes in the overall level of interest rates. A positive "gap" for a period indicates that an upward or downward movement in the level of interest rates would cause a corresponding change in net interest income, while a negative "gap" implies that an interest rate movement would result in an inverse change in net interest income.

Category	Floating Rate	Less than one month	One month but less than six months	Six months but less than one year	One year but less than five years	Five years or more	Non-interest earning or bearing	Total
Fed funds sold	9,500	0	0	0	0	0	0	9,500
Time deposits with other banks	0	100	100	0	0	0	0	200
Investment securities	0	9,390	3,300	0	0	0	0	12,690
Subtotal	9,500	9,490	3,400	0	0	0	0	22,390
Loans	107,691	2	3,082	144	0	0	0	106,919
Total earning assets	113,191	9,492	6,482	144	0	0	0	129,309
Cash and due from banks	0	0	0	0	0	0	12,543	12,543
Premises and equipment	0	0	0	0	0	0	321	321
Investment in real estate	0	0	0	0	0	0	2,613	2,613
Other assets	0	0	0	0	0	0	2,290	2,290
Total non-earning assets	0	0	0	0	0	0	17,767	17,767
Total assets	113,191	9,492	6,482	144	0	0	17,767	147,076
Funds purchased	1,575	0	0	0	0	0	0	1,575
Repurchase agreements	0	0	0	0	0	0	0	0
Subtotal	1,575	0	0	0	0	0	0	1,575
Savings deposits	4,767	0	0	0	0	0	0	4,767
Money market deposits	73,661	0	0	0	0	0	0	73,661
Time deposits	0	15,167	15,613	3,391	119	0	0	36,290
Total bearing liabilities	80,003	15,167	15,613	3,391	119	0	0	116,293

Category	Floating Rate	Less than one month	One month but less than six months	Six months but less than one year	One year but less than five years	Five years or more	Non-interest earning or bearing	Total
Demand deposits	0	0	0	0	0	0	18,088	18,088
Other liabilities	0	0	0	0	0	0	483	483
Equity capital	0	0	0	0	0	0	12,210	12,210
Total non-bearing liabilities	0	0	0	0	0	0	30,783	30,783
Total liabilities	80,003	15,167	15,613	5,391	119	0	30,783	147,076
GAP	33,188	(5,675)	(9,131)	(5,247)	(119)	0	(13,016)	0
Cumulative GAP	33,188	27,513	18,382	13,135	13,016	13,016	0	0

As the table indicates, the vast majority of the Company's assets are either floating rate or, if fixed rate, have extremely short maturities. Since the yields on these assets quickly adjust to reflect changes in the overall level of interest rates, there are no significant unrealized gains or losses with respect to the Company's assets, nor is there much likelihood of large realized or unrealized gains or losses developing in the future. For this reason, realized or unrealized gains or losses are not expected to have any significant impact on the Company's future operating results or liquidity.

The Bank's investment portfolio continues to be composed of high quality, low risk securities, primarily U.S. Treasury or Agency securities or short term market rate preferred stocks of the highest ratings. As mentioned above, the Bank realized gains of $6,000 on sales of securities in the first three months of 1992; by comparison, net losses of $32,000 were incurred in the comparable period of 1991. As of March 31, 1992 the Bank's investment portfolio contained no gross unrealized gains and gross unrealized losses of $2,000; by comparison, at March 31, 1991 the portfolio contained gross unrealized gains of $3,000 and gross unrealized losses of $302,000. The Bank's intent when purchasing securities is to hold them for the foreseeable future or until maturity, and the Company's financial position gives it the ability to do so should conditions warrant.

The Company continues to enjoy a strong capital position. Total capital was $12,210,000 and $12,033,000 as of March 31, 1992 and December 31, 1991, respectively. The Company's capital ratios for those dates in comparison with regulatory capital requirements were as follows:

	3-31-92	12-31-91
Leverage Ratio (Tier I Capital to Assets):		
Regulatory requirement	3.00%	3.00%
First Regional Bancorp	8.30%	8.79%

In addition, bank regulators have issued new risk-adjusted capital

guidelines which assign risk weighting to assets and off-balance sheet items and place increased emphasis on common equity. The Company's risk adjusted capital ratios for the dates listed in comparison with the risk adjusted regulatory capital requirements were as follows:

	3-31-92	12-31-91
Tier I Capital to Assets:		
Regulatory requirement	3.63%	3.63%
First Regional Bancorp	12.42%	9.75%
Tier I + Tier II Capital to Assets:		
Regulatory requirement	7.25%	7.25%
First Regional Bancorp	13.92%	11.00%

The Company believes that it will continue to meet all applicable capital standards.

INFLATION

The impact of inflation on the Company differs significantly from other industries, since virtually all of its assets and liabilities are monetary. During periods of rising inflation, companies with net monetary assets will always experience a reduction in purchasing power. Inflation continues to have an impact on salary, supply, and rent expenses, but the rate of inflation in general and its impact on these expenses in particular has remained moderate in recent years.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Litigation

The Company is a party as plaintiff to a number of lawsuits that have arisen in connection with the normal conduct of its banking business. It is management's opinion, based upon advice of legal counsel, that none of the pending litigation will have a materially adverse effect on the Company or the Bank.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

During the first quarter of 1992, no items were submitted to a vote of the Company's shareholders.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

Exhibits

The only exhibit to this report is Exhibit 20, the Company's March 31, 1992 quarterly financial statement sent to shareholders.

Reports on Form 8-K

No reports on Form 8-K were filed by the Company during the first quarter of 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FIRST REGIONAL BANCORP

Date: MAY 14, 1992

Jack A. Sweeney, Chairman of the Board and Chief Executive Officer

Date: MAY 14, 1992

Thomas McCullough, Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Exhibit Description
20	March 31, 1992 quarterly financial statement sent to shareholders